State Controller's Office

Local Government Compensation Report

FAQs

Reporting Requirements:

Q: What is the legal authority requiring the local government agencies to provide compensation information to the SCO?

A: The legal authority is Government Code sections 12463 and 53892.

Q: Will our agency be reimbursed for our costs incurred in providing this information?

A: No. This report does not qualify as a mandate; therefore, there will be no reimbursement.

Q: The report is due on October 1, 2010 and our agency just received the reporting requirement. Are there any extensions or exceptions?

A: No. The Government Code does not allow us to grant extensions. Please submit your report as soon as you can.

Report Preparation:

Q: When I try to download the excel file from the website, it asks me for a password.

A: This should not happen. There may be security issues on your network. Try hitting okay and if that doesn't work, contact your IT staff.

Q: Do we need to include our City Council members since they do not get paid?

A: Yes. Please include all elected, appointed and employed personnel. Input a "0" for any salary, compensation, or benefit columns that are not applicable to that specific classification.

Q: Should we include special districts, any grant funded entities, etc.?

A: Include staff that are considered City or County employees. Include staff for all DEPENDENT special districts, redevelopment agencies, or other component units that are supported by and employed by the city or county. DO NOT include independent special districts or independent contractors.

Q: Should we include trial court employees?

A: Include only the staff that are considered County employees.

Q: What do we do with part-time employees?

A: Convert all part-time employees to full-time equivalents. Take the minimum and maximum base wages and convert to annual full-time pay. The Total 2009 Wages will be the exact amount as reported on the W-2 for that classification/position.

Q: Do we include employees who retired during 2009?

A: Include all employees for the Calendar Year 2009. If an employee retired and the same position was filled by someone else, combine the W-2, box 5 data.

Q: What if an employee left during the year and we filled behind them?

A: If an employee left during the year, combine the W-2, Box 5 information for both employees.

Q: Do we include temporary (seasonal) staff?

A: Yes. Even if you have employees who only work a couple months out of the year, you need to include them in this report.

Q: Do we include our unfilled positions?

A: Yes. Include all positions for the Calendar Year 2009. If the position was vacant for the entire year, the Total 2009 Wages column will be a "0".

Q: Our systems use ALL CAPS. Is it okay to use ALL CAPS for this report?

A: No. Copy and paste the information into a word document, select the "Change Case" icon, select "Capitalize Each Word" and then copy and paste the information into the excel file.

Q: Do we combine all the data for each classification or do we use multiple rows for each classification?

A: Use multiple rows for each classification. If you have five Administrative Assistants, you will use one row for each of the positions, so a total of five rows will be used for Administrative Assistant.

Q: How do we present the information for the employees who hold multiple positions?

A: If an employee held multiple positions at the same time during Calendar Year 2009, insert an "A" in the "Multiple Positions Footnote" column for each of the positions held by that employee. Input the Total 2009 Wages on the row for the primary position, and input a "0" for the other position(s). If another employee held multiple positions, that employee will have a "B" in the "Multiple Positions Footnote" column, as so on. Please see the "Sample Report – Multiple Positions" on the Local Government Compensation Report web page.

Q: If we have more employees who hold multiple positions than the alphabet has letters, what do we do?

A: You may double and triple up on the letters, (i.e. A, B, - Z, AA, BB, - ZZ, AAA, BBB, - ZZZ). If the number of employees who held multiple positions is more than 78, please use the number system, (i.e. 1, 2, 3, and so on).

Q: What does the Annual Salary Minimum and Maximum mean?

A: For these columns, use the minimum base salary and the maximum base salary for each specific classification/position. Do not include additional compensation (i.e. bilingual pay, overtime, hazard pay, etc.).

Q: If our employees don't have a minimum or maximum salary range, what do we do?

A: If your city does not use a set salary schedule or ranges for each position, use the current salary for that employee in both the minimum and maximum columns.

Q: What do we do for the employees who don't have box 5 information?

A: If an employee does not have information in box 5 of his/her W-2, that amount must be derived. In order to calculate wages subject to Medicare (box 5 of Form W-2), you will need to take into consideration certain amounts subject to Medicare taxation. Generally, these will include employee contributions to a Deferred Compensation or Tax Sheltered Annuity program, as well as employee contributions to a tax deferred pension plan. Since box 1 of Form W-2 includes only those wages subject to federal taxation, you must add in those amounts that are not subject to federal taxes, **BUT ARE** subject to Medicare taxation had that employee been subject to Medicare.

For example:

Employee's box 1 amount	$4,000
Deferred Compensation	+$500
Employee contribution to pension plan	+$200
Medicare Subject Wages	$4,700

Q: What exactly do we include in the "Employees' Share of Pension Benefits"?

A: Only include the amount of the employees' share of pension benefits that your entity contributed to, (i.e., if the employees' share is 7% and your entity paid 2% of that 7%, include the actual dollar amount of the 2%).

Q: Our city provides employees with a Cafeteria Allowance, to be used for Health, Dental and/or Vision. If an employee chooses not to use the entire cafeteria allowance, the remaining will show up as additional compensation. How do we report this information?

A: Report the total amount of the cafeteria allowance that the employee used for Health, Dental, and/or Vision. The remaining amount will show up in the Box 5 of the W-2 column of this report.

Q: What do we do with the fields that do not have information?

A: If you have fields that do not have information, you can either leave them blank or enter a "0".

Submission:

Q: What is the process for submitting the report?

A: Please refer to the Automated Reporting Guidelines that were mailed to your entity.

Q: What is the username and password for the FTP site?

A: The username and password is provided in the Automated Reporting Guidelines that were mailed to your entity.

Q: Why am I not able to submit the report after logging into the FTP site?

A: There may be a firewall block on your system. Please contact your IT staff.